

1 A Yes. Well, there's an ad agency that's
2 located on St. Thomas that handles such advertisers as
3 Kentucky Fried Chicken, Wendy's, and they're all over
4 the Virgin Islands.

5 Q To your knowledge, does anyone still
6 contact your father about any aspect of station
7 operations?

8 A Not that I'm aware of.

9 Q And who are the current directors of
10 Family Broadcasting, Inc.?

11 A Well, the persons who are down are my
12 brothers and myself.

13 Q Just for your -- for the Judge's benefit,
14 if you could please --

15 A Oh, I'm sorry.

16 Q -- just --

17 A Barbara James.

18 Q -- identify your brothers.

19 A Okay. Okay. My brothers are Gerard L.
20 James, II, Emmeth C. James, Dr. Kelsey G. James.

21 Q Now, we've already discussed that your
22 brother Gerard lives on St. Croix with you. Now,
23 where do your brothers Emmeth and Kelsey live?

24 A Emmeth lives in New York, and Kelsey in --
25 he's in Kentucky now.

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1 JUDGE SIPPEL: Where?

2 THE WITNESS: Kentucky.

3 BY MR. SHOOK:

4 Q Now, has there been a Board of Directors
5 meeting of Family Broadcasting in the last 12 months?

6 A Not a formal meeting, but I have spoken to
7 all of my brothers via telephone, just letting --
8 bringing them up to date on what the conditions are,
9 what has been happening as far as FCC and the radio
10 station, because very often they will call and want to
11 know, you know, what has happened this week, or, you
12 know, exactly where we are. And for the most part
13 that is the gist of most of the conversations.

14 Q And who are the current officers of Family
15 Broadcasting, Inc.?

16 A My three brothers, whom I previously
17 mentioned, and myself.

18 Q And what positions do each of you hold?

19 A I am President. If I'm not mistaken, my
20 oldest brother Gerard, II, is Vice President. Emmeth
21 is Secretary, and I think Kelsey is the Treasurer, or
22 the last two may be switched.

23 Q In terms of the brother that acts as the
24 Treasurer, what is it that he has to do, if anything?

25 A Well, the one who acts as Treasurer should

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1 really be keeping the books. But since he is not on
2 St. Croix, I have been playing more or less a dual
3 role, or in many instances a triple role.

4 Q Now, a triple role meaning President,
5 Secretary, and Treasurer?

6 A I do a little of everything.

7 Q Now, at one time the stations employed a
8 news man by the name by Alvin G, did it not?

9 A Yes, it did.

10 Q And did your father fire Alvin G in
11 October or November of 2001?

12 A They had a disagreement, and he was --
13 from my investigation, speaking with the other
14 employees that were there at the time, they said that
15 he was extremely rude. And he was scheduled to go on
16 air with the news, and he started complaining. At the
17 time that he was scheduled to go on the air, we had an
18 electrical outage on the island, which is something
19 that happens very often.

20 And for some strange reason the generator
21 did not kick in, and he got very perturbed and started
22 using a lot of profanity. And then, when the
23 electricity -- the generator was -- it came on line,
24 we had electricity, he was told to go on and do his
25 newscast. And he used some more profanity, and said

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1 that he wouldn't, so my father was there at the time,
2 so my father told him, "Well, if you're not going to
3 go on the air, then go down the hill."

4 So when I found that out, I spoke to him
5 -- I mean, with Alvin G, and he told me that he would
6 rather not come back. Because I did send him a
7 letter, I called him up, I spoke to him. I met with
8 him, and he told me that he would rather not come back
9 up, because many times he complained the equipment --
10 another problem we had, some people were taking
11 equipment out, stealing it, literally stealing
12 equipment. So when you go to use something, it's not
13 there.

14 And I asked him if he had any idea who
15 some of the people were. I was told no. I had a
16 meeting. I inquired, but he said that, "We don't have
17 this, we don't have that." We may have had it, but
18 then someone went with it, and, of course, no one
19 knows who went with it. So that was the beginning of
20 the end.

21 JUDGE SIPPEL: What's this Alvin person's
22 -- how do you spell his last name?

23 THE WITNESS: His last name is Southwell,
24 but he's known as Alvin G. He's now working at
25 another station.

1 JUDGE SIPPEL: His first name is Alvin?

2 THE WITNESS: Alvin.

3 JUDGE SIPPEL: And his last name is
4 Southwell?

5 THE WITNESS: Southwell, S-O-U-T-H-W-E-L-
6 L.

7 JUDGE SIPPEL: Thank you.

8 THE WITNESS: You're welcome.

9 BY MR. SHOOK:

10 Q Just for all of our benefits, when you
11 referred -- when you used the expression "go down the
12 hill," what does that mean?

13 A Oh, well, the station is located on a
14 little hill, so you have to drive down the hill.

15 Q So --

16 A So that's what --

17 Q -- telling somebody to go down the hill
18 means to get out.

19 A To leave. And I did speak to my father
20 about that also. After I spoke -- I went first to
21 Alvin to find out what had happened, because this
22 incident occurred approximately half an hour after I
23 left to take my son to a doctor's appointment, and
24 this happened.

25 So when I found out I immediately

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1 contacted Alvin G to find out what had happened. And
2 then I went to my father and I spoke to him. But
3 Alvin told me that he would prefer -- he had been
4 there before. He had left. He had been back -- I
5 think this was his second time working -- either
6 second or third time, because over the years he has
7 been back and forth, back and forth.

8 Q Now, have any other WSTX, AM or FM,
9 employees left under similar circumstances from that
10 October or November 2001 period to date?

11 A No, sir.

12 Q Now, has any -- have any employees been
13 fired since that time?

14 A No, sir.

15 Q Have any employees been hired since that
16 time?

17 A There was one employee that was hired to
18 replace someone who had left, who went to -- he -- one
19 of the employees who worked from midnight to 6:00 a.m.
20 He got a job at the legislature of the Virgin Islands,
21 so he was replaced. So that's the only person that
22 came in. Alvin -- we did get a replacement for Alvin.

23 Q And who was the replacement?

24 A We currently have Arthur Bird, B-I-R-D.

25 Q And could you explain the circumstances of

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1 Mr. Bird's hiring?

2 A After Alvin left there was a lady who was
3 previously a news anchor on Channel 8 who came back to
4 the islands. Channel 8 is our local TV station. Came
5 back to the islands, she was looking for employment.
6 She did get a job at one of the high schools teaching,
7 and she came to me one day and told -- well, this was
8 the week after Alvin left, and she told me that she
9 was interested in going back on the air.

10 So I offered her the position to fill in
11 for the news, because we do have a lot of people that
12 listen to our newscasts. So I offered it to her. She
13 took it for a while, and then -- she has a young
14 child, and it was -- the hours were sort of difficult,
15 especially the morning hours, doing the news and then
16 getting the child to school on time.

17 So because of that, she had to leave. She
18 didn't want to leave, but she left that position, and
19 that's when Mr. Bird came in. He is originally from
20 another island, the island of Antigua. And he
21 happened to come to St. Croix to visit some family
22 members that were living there, and he found out that
23 we needed a newscaster. He liked St. Croix. He
24 decided to stay there.

25 So I met with him, interviewed him, and I

1 offered him the position. And he has been there with
2 us -- May of this year will be two years that he's
3 there, and he is working out well.

4 Q You also mentioned that there was one
5 other person, a 12:00 to 6:00 -- you know, a midnight
6 to 6:00 a.m. person left.

7 A Yes, sir.

8 Q And I take it that person has been
9 replaced?

10 A That was the only person, yes.

11 Q And who was the -- who left, and who is
12 the replacement?

13 A Steadroy Williams left, and Warren Acosta
14 replaced him.

15 Q Was Warren Acosta already working at the
16 radio station?

17 A He was -- he would just come and fill in
18 if we needed someone. He was not a regular employee.
19 He would be someone that -- in the event that someone
20 couldn't come in for their shift, and we got enough
21 notice, we could not get someone within the ranks
22 there to fill in, then he was someone that we would
23 call and he would come in willingly.

24 And then he eventually asked me if the
25 opportunity arose, you know, because he was unemployed

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1 at the time. So he has been with us since Mr.
2 Williams left. And then, since that time, Mr.
3 Williams left the legislature, but his slot was
4 already filled.

5 Q So would you say that you were the person
6 who essentially hired Mr. Acosta to take care of this
7 opening?

8 A Yes, I did, as well as Mr. Bird.

9 Q Do you know whether your parents have any
10 obligation to repay any of the debt incurred by Family
11 Broadcasting, Inc. with respect to its purchase of
12 WSTX AM and FM?

13 A Could you repeat the question, please?

14 Q Okay. Do you know whether your parents
15 have any obligation to repay any of the debt incurred
16 by Family Broadcasting, Inc. with respect to its
17 purchase of the radio stations?

18 A The only debt that I can think of was the
19 bank that they received the money from.

20 Q I guess the -- what I'm driving at is
21 whether or not, to your knowledge, your parents have
22 any personal obligations. Did they make any personal
23 guarantee to the bank to repay the debt as opposed to
24 it simply being owed by Family Broadcasting, Inc.?

25 A Well, to receive the loan, to receive the

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1 money, my father was the one who used property as
2 collateral for the loan, if that is what you are
3 referring to. Real property that was in the family,
4 that's what was used to secure the loan.

5 Q To your knowledge, what property was used?

6 A To the best of my knowledge, most -- the
7 bank -- one of the -- one property was sufficient to
8 cover the loan. But for some strange reason the bank
9 wanted almost all of the property that was owned by my
10 parents to use as security. I have no idea why.

11 Q Has there been any action taken by the
12 bank with respect to any of those properties?

13 A Yes. The bank did foreclose on the loan
14 to the best of my knowledge, and they did take one of
15 the properties. And that matter is now in court.

16 Q What is the status of that litigation?

17 A To be honest, I think it's being appealed,
18 but I -- I have not had anything to do with that. And
19 there are certain things that my father does that he
20 doesn't say anything I guess until D-Day. And then
21 the rest of us, you know, we are aware of it, but --
22 and many times when my mother and I, we ask questions,
23 if I hear something I'll ask a question, because I
24 don't want to look like I'm the stupid one.

25 Many times I may be charged with --

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1 someone would say, "Well, you're the guilty person,"
2 and I have no idea what they're talking about. So in
3 a case like that, I -- very often I will ask
4 questions. It doesn't mean I get answers, but I do
5 ask questions, you know, to try and find out what the
6 situation is.

7 The same way, when I first got to the
8 station, I asked so many questions, of course. And if
9 I got answers to every question, I would be lying.
10 And up to this day I'm still trying to straighten
11 everything out, because WSTX AM and FM can work, but
12 it has to be run properly. And that's what I've been
13 trying to get straightened out and get done, but, of
14 course, there's a lot of extraneous matters that we
15 have to deal with.

16 Q In terms of the litigation, would it be
17 your understanding that that litigation is a matter of
18 public record?

19 A Yes, it is I think.

20 Q I mean, have you ever had -- have you ever
21 taken the opportunity to go to the courthouse and try
22 to figure out just what in the world is going on?

23 A No, I have not.

24 Q If the transfer of control application
25 that is the subject of this hearing for Family

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1 Broadcasting, Inc. is granted, and the transfer
2 consummated, do you have any knowledge as to whether
3 there will be any impact on Family's -- Family
4 Broadcasting Inc.'s obligation to repay the debt that
5 has been incurred by it in the purchase of the
6 stations?

7 A Well, if the transfer you're referring
8 to --

9 Q The transfer would be from your parents to
10 you and your brothers.

11 A And the question was, would it --

12 Q Would it have any impact at all on Family
13 Broadcasting, Inc.'s obligation to repay the debt?

14 A Would the transfer have -- well, the --
15 yes, it would, if I understand the question correctly.

16 Q Well, in other words, do you have any
17 knowledge as to whether or not you and your brothers
18 would end up stepping into the shoes of your parents
19 and incur some obligation as a result of this transfer
20 of control application being granted and consummated?

21 A Well, I'm sure we would, because it would
22 still be Family Broadcasting, until all of Family
23 Broadcasting's matter are brought to an end. And then
24 hopefully my -- you know, once that is taken care of,
25 is resolved, then hopefully my brothers and I can

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1 start fresh.

2 Q In your --

3 A I don't know if I'm understanding.

4 Q Well, the question may not have been well
5 put, so I'll try to approach the matter differently.
6 In your capacity as President of Family Broadcasting,
7 Inc., have you ever approached the bank and asked the
8 bank, "What is it that Family Broadcasting, Inc. owes,
9 and how can I repay this debt?"

10 A Well, I have spoken to someone that worked
11 at the bank, and they told me that they did not have
12 anything to do with it. This is the Bank of Nova
13 Scotia, and the headquarters are located in Canada.
14 And they told me that -- for some strange reason it
15 seems as though everything is out of the local hands
16 now, and it's being handled at their headquarters.
17 But to honestly say that I have made contact with them
18 in Canada, I have not.

19 Q Would you know who to make contact with?

20 A Not at the moment. I would have to go
21 back and inquire locally, see who I would have to
22 contact and -- but there are so many -- I don't know.
23 It gets frustrating, because there are so many little
24 things that keep, you know, cropping up that we're not
25 aware of until we think everything is going fine, and

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1 then something comes up. And I try to deal with
2 everything as they come to me, so that I can get them
3 resolved.

4 Q With respect to the foreclosure action
5 that we touched on briefly, you mentioned that -- I
6 think you said that only one of the properties that
7 had been made security for the loan was in fact
8 foreclosed on. Do you know what property that is?

9 A This is a property at La Grande Princesse.
10 I don't know the exact number of the property.

11 Q And could you explain to the Judge what
12 you're talking about when you say La Grande Princesse?

13 A Okay. That is the location on the island,
14 the address.

15 Q And what is it -- what's at this address?
16 Is there a building? Is it vacant land?

17 A Okay. It's -- oh, it's a two-story
18 building. The number of square feet I can't tell you
19 off hand, but it's -- it's big. And it also has an
20 empty lot that is included in there.

21 Q Is there a business located there?

22 A A business is currently there. To the
23 best of my knowledge, I think the bank -- when they
24 foreclosed, they sold it to a company. It was almost
25 a -- almost a simultaneous action, you know.

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1 Q The foreclosure and the sale?

2 A Yes. And there's a business located there
3 now.

4 Q So to your understanding, who or what owns
5 that property at this point?

6 A There is a business, an office supply
7 store, by the name of Essentials for the Office. And
8 this group, they have also -- they have purchased most
9 of the large office supply stores on the island. So
10 there are only like maybe three little ones left that
11 are I guess in the same boat as I am, like a little
12 Mom and Pop operation. But they bought out all of the
13 large ones. But the name of the people who have
14 purchased it, I honestly don't know their name.

15 Q Are there any properties that have been
16 titled to your parents that are still subject to a
17 security interest from the Bank of Nova Scotia?

18 A Not that I'm aware of at the moment.

19 Q Well, you had -- just so we're clear on
20 this, when we talked about this earlier, I believe you
21 indicated that there was more than one property that
22 initially had been made a security interest for the
23 bank loan. And my question now is: with the
24 foreclosure of that one property, are there still
25 other properties that your parents had title to which

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1 are still subject to the security interest by the
2 bank?

3 A There is one property at Estate
4 Catherine's Rest. That's the name of the -- that's
5 the address. And that property, I honestly have not
6 heard any discussion concerning that, as I had with
7 the one located at La Grande Princesse. So I don't --

8 JUDGE SIPPEL: At Catherine's -- what was
9 the name again?

10 THE WITNESS: Catherine's Rest, R-E-S-T.
11 Catherine with a C. Estate Catherine's Rest.

12 BY MR. SHOOK:

13 Q Do you have any understanding as to
14 whether or not with the foreclosure of the property at
15 La Grande Princesse whether or not that took care of
16 the entirety of the debt owed by Family Broadcasting,
17 Inc. to the Bank of Nova Scotia?

18 A To the best of my knowledge, it was
19 sufficient to cover whatever was owed.

20 Q In other words, if it had been sold for
21 market value, it certainly would have covered the
22 amount --

23 A It would have covered --

24 Q -- of outstanding debt for --

25 A Yes, sir.

1 Q I think what I'm asking, really, is more
2 in the nature of, do you know whether or not the debt
3 has actually been extinguished?

4 A To the best of my knowledge, based on the
5 information -- the limited information that I have, it
6 has, but then that is why even that resale of the
7 property is questionable. And I think that is what --
8 one of the bones of contention that my father has and
9 why he has proceeded in going to court with the bank
10 over the property. I don't know if I'm --

11 Q Well, in other words, are you saying that
12 it's possible that the proceeds of the sale were such
13 that not only it extinguished the debt but some extra
14 money should have come back to your parents?

15 A Well, it extinguished the debt, but I'm
16 not aware of any money coming back, to the best of my
17 knowledge.

18 Q Did you have any role in the purchase of
19 WSTX AM and FM?

20 A Not directly. I was --

21 Q How about indirectly, then?

22 A Well, I was living up here in Germantown,
23 Maryland, and my father called and told me he was
24 buying the station and -- which at the time,
25 personally, I didn't think it was a good idea, because

1 everything on the island had been ravaged by Hurricane
2 Hugo, and it was a matter of starting from scratch and
3 building back up. Because literally what my parents
4 got for \$500 plus was a shell. They got a license.
5 They had -- literally, there was nothing else that was
6 left.

7 Q In other words, when the stations were
8 purchased, the equipment that was needed to run the
9 station had been pretty much demolished by Hugo?

10 A They had to buy a transmitter. They had
11 to buy a tower. They had to buy everything from
12 scratch.

13 Q Now, do you know whether Family
14 Broadcasting, Inc. has any insurance policy in the
15 nature of a hazard insurance policy to cover itself in
16 the event of another serious storm?

17 A Currently, no.

18 Q Do you know whether either one or both of
19 your parents have any insurance policy that would
20 cover damage to Family Broadcasting?

21 A I'm not aware of that.

22 Q Now, in your first declaration -- and I
23 realize you don't have it in front of you --

24 MR. SHOOK: I'm not sure how mechanically
25 we can do this. Your Honor, may I approach?

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1 JUDGE SIPPEL: What are you looking for?

2 MR. SHOOK: I just want to point something
3 out to the witness and then ask a question relative to
4 it.

5 JUDGE SIPPEL: Okay. And which
6 declaration is that, the --

7 MR. SHOOK: It's Exhibit Number 1, Family
8 Exhibit Number 1, page 2, paragraph 7.

9 JUDGE SIPPEL: I'm going to hand my copy
10 to the witness.

11 MR. SHOOK: Thank you.

12 JUDGE SIPPEL: All right? I think that's
13 the paragraph.

14 BY MR. SHOOK:

15 Q The sentence that I'd like you to focus on
16 initially is the second sentence, beginning, "In the
17 intervening years." Now, when you mention there a
18 series of hurricanes, since your parents -- or since
19 Family Broadcasting, Inc. purchased the stations,
20 we're talking about two hurricanes, aren't we?

21 A No, we're talking about approximately --
22 we've had approximately four -- approximately four or
23 five since Hurricane Hugo.

24 Q Okay. Which hurricanes have those been?

25 A We've had -- we've had Hurricane Marilyn,

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1 we've had Lenny, we've had I think Frederick, David.
2 We've had about four or five, but I don't recall the
3 names of the others. But definitely Marilyn, Lenny --
4 Lenny was the latest one.

5 Q What years were they?

6 A Marilyn was 1995. Lenny was 19 -- 1999 or
7 2000.

8 Q Yes. I believe from earlier things I've
9 seen it was 1999.

10 A Okay. November of '99 was Lenny.
11 September of '95 was Marilyn. And in between those
12 two we had two others that came through there, and
13 there was I think one or two also before Marilyn.

14 But each time a hurricane came through,
15 the entire Virgin Islands did not get hit in the same
16 way. With Hugo, it was St. Croix. We got the brunt
17 of it. With Marilyn, it was St. Thomas. With Lenny,
18 it was St. Croix. It was all of the Virgin Islands,
19 but St. Croix got the worst of it. And then the
20 others in between, we had just about an equal amount
21 of damage on all of the islands. I'm trying to
22 remember the names of them, but I don't recall the
23 names. But we've had about four or five since
24 Hurricane Hugo in September of 1990.

25 Q And the last significant one was Hurricane

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1 Lenny?

2 A Lenny in '99, November of '99.

3 Q Now, other than the radio stations, does
4 Family Broadcasting, Inc. have any assets?

5 A No, it does not.

6 Q Now, have you had a chance to read your
7 father's deposition which is our Exhibit Number 5?

8 A Yes, I did read it when it was -- after he
9 came back to St. Croix and the copy was sent to him.

10 Q Now, did you note in reading that
11 application the number of properties that your father
12 said either he or your mother owned?

13 A I don't recall exactly what was listed,
14 but I know there were some properties that were
15 listed.

16 Q Well, among other things, there was the
17 family home, which is at 83 Anna's Hope?

18 A Yes, sir.

19 Q There was an adjacent property at
20 82 Anna's Hope.

21 A Yes.

22 Q There was the property that had been
23 mentioned, La Grande Princesse, the commercial
24 property that is subject to the foreclosure action.
25 Your father also mentioned, and you have mentioned, a

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1 property at Catherine's Rest. And there was a
2 property -- he described it -- I believe the term used
3 was Western Suburb. That was an undeveloped piece of
4 property. And there was also a second -- apparently,
5 a second property at a different locale on La Grande
6 Princesse. Apparently, there was more than one
7 La Grande Princesse property. Were you aware of
8 those?

9 A It's all one large area, but for some
10 strange reason --

11 Q One large area.

12 A -- they are numbered differently.

13 Q Now, to your knowledge, does the Family --
14 do your parents still own the properties that I
15 mentioned?

16 A To the best of my knowledge.

17 Q And when did it come to your attention
18 that your parents owned those properties?

19 A Well, I have always known about La Grande
20 Princesse, Estate Anna's Hope, Catherine's Rest. I've
21 always known about those.

22 MR. SHOOK: Now, Your Honor, I'd like her
23 to, again, look at another statement made in
24 Exhibit 1. It's on page 2 at paragraph 7.

25 JUDGE SIPPEL: Let me make sure I've got

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1 the right one here. Exhibit 1, page 2, paragraph 7.
2 At the top?

3 MR. SHOOK: Yes, sir.

4 BY MR. SHOOK:

5 Q Now, with respect to the last sentence
6 that appears in paragraph 7, there is an assertion
7 there that, "The stations constitute the only valuable
8 asset held by my father for the benefit of his
9 children and his grandchildren." What were you --
10 what was the point of making that assertion in light
11 of what we know about the properties, the other
12 properties that are owned by your parents?

13 A I was referring to businesses as opposed
14 to real property that my parents owned. I was talking
15 about a business, a business venture. That is the
16 only thing the radio station --

17 Q The only business venture that your
18 parents own.

19 A Yes.

20 Q But they do own other assets.

21 A They have real property that, you know,
22 they have said when they pass they intend to will, you
23 know, to their children and grandchildren. But as far
24 as a business venture, that is what I was referring
25 to.

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1 MR. SHOOK: Your Honor, I'm going to take
2 one set of our exhibits and bring them up to the
3 witness. We have that luxury at the moment. I don't
4 believe -- Mr. Huber, you don't have a set of our
5 exhibits with you, do you?

6 MR. HUBER: No, I do not.

7 MR. SHOOK: Okay.

8 JUDGE SIPPEL: Where are we going to
9 start?

10 MR. SHOOK: I'm going to ask the witness
11 to look at our Exhibit 4, page 98.

12 JUDGE SIPPEL: Enforcement Number 4.

13 MR. HUBER: That's the deposition of
14 Barbara James-Petersen?

15 MR. SHOOK: Correct.

16 JUDGE SIPPEL: It would be Tab 4?

17 MR. SHOOK: Yes, sir.

18 JUDGE SIPPEL: All right. And you want
19 her at page 98?

20 MR. SHOOK: Yes, sir.

21 JUDGE SIPPEL: I think they're numbered at
22 the bottom right.

23 BY MR. SHOOK:

24 Q First of all, why don't you take a couple
25 of minutes to look over that page and the page

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1 immediately preceding, and the next eight or so pages
2 after that, up to page 104. This is just so you're
3 familiar with the document that you're looking at.

4 JUDGE SIPPEL: Do you want to just
5 generally describe for the record, Mr. Shook, what it
6 is that she's looking -- you're showing her?

7 MR. SHOOK: Yes. What I'm endeavoring to
8 show the witness is the FCC Form 315 application for
9 consent to transfer control of entity holding
10 broadcast construction permit or license, and this is
11 in particular File Number BTC 2001-0315AAJ. It's the
12 transfer of control application for radio station
13 WSTX.

14 JUDGE SIPPEL: Is that the one that's
15 under consideration now by the Commission?

16 MR. SHOOK: Yes, sir.

17 JUDGE SIPPEL: Thank you.

18 BY MR. SHOOK: I recognize that the
19 photocopy may not be of the highest quality. It's a
20 little difficult to see, but I take it that you're
21 familiar with this document?

22 A Yes, I am.

23 Q And did you have any role in preparing
24 this document?

25 A Yes, I did.

1 Q What role was that?

2 A I provided the information concerning my
3 brothers and myself. And the information that I had
4 at the time, to the best of my knowledge, concerning
5 my parents and what they had -- their ownership in the
6 station.

7 Q Right. So, specifically, my question at
8 this point is: how did you determine the percentages
9 of your father's and mother's ownership of Family
10 Broadcasting, Inc. that are shown on page 98 as being
11 51 percent for your father and 42 percent for your
12 mother?

13 A That was based on some information that I
14 had received from my father. I recall when he
15 mentioned that he was going to sell shares in the
16 radio station, and to the best of my knowledge once
17 that was done then my parents did not hold 100
18 percent. They did have a majority, but it was not 100
19 percent. There were approximately seven -- there was
20 approximately seven percent. I think when we did the
21 math, I think that's what it came up to.

22 Q So, in other words, the information was
23 derived from conversation with your father?

24 A Yes, it was.

25 Q Now, I'd like you to turn briefly to our

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1 Exhibit 6, page 17, and our Exhibit 6 is the
2 deposition transcript of your mother.

3 JUDGE SIPPEL: Same volume?

4 MR. SHOOK: Yes, sir.

5 MR. HUBER: Page 17, is it?

6 MR. SHOOK: Yes.

7 JUDGE SIPPEL: Page 17 of Exhibit 6?

8 MR. SHOOK: Yes.

9 JUDGE SIPPEL: Okay. Do you have that in
10 front of you, Ms. James-Petersen?

11 THE WITNESS: Yes, I do.

12 JUDGE SIPPEL: Okay.

13 BY MR. SHOOK:

14 Q Now, if you would just -- you can read to
15 yourself lines 2 through 4.

16 A Pardon me. Lines 2 through?

17 Q Through 4.

18 JUDGE SIPPEL: Well, it's just -- it's a
19 question and answer. Why don't we just read it into
20 the record?

21 MR. SHOOK: All right.

22 BY MR. SHOOK:

23 Q Could you read it for us, please?

24 JUDGE SIPPEL: The question is?

25 THE WITNESS: Oh, I'm sorry. "Question:

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1 Have you ever held an ownership interest in Family
2 Broadcasting, Incorporated? Answer: Not that I know
3 of."

4 BY MR. SHOOK:

5 Q And then, if you would please, just the
6 next question and answer.

7 A "Question: Have you ever told your
8 daughter Barbara whether or not you were an owner in
9 Family Broadcasting, Incorporated? Answer: No."

10 Q Now, have you ever had a conversation with
11 your mother to ascertain whether or not she actually
12 owned anything in Family Broadcasting, Inc.?

13 A Well, to the -- we spoke about the radio
14 station many times, but as far as my mother was aware
15 she knew that there -- she has an interest in it, but
16 she had no idea what -- to what percentage, what
17 degree, because my father when he initially -- my
18 father initially did everything on his own.

19 And to put it bluntly, my father is a male
20 chauvinist, so he did everything, and he would just
21 bring the papers, my mother would sign, you know, and
22 he'd say, "Okay. This is ours, you know, yours and
23 mine."

24 Q Now --

25 A But as far as being intimately involved

1 with it, she never was.

2 Q -- have there been any stock certificates
3 issued to your parents?

4 A I have no idea.

5 Q For Family Broadcasting, Inc., I mean, you
6 are now --

7 A Do you mean originally?

8 Q Well, at any time. I mean, you're now the
9 President. Has Family Broadcasting, Inc. ever issued
10 certificates of stock to your parents?

11 A I have no --

12 Q So far as you know, that hasn't happened?

13 A No, sir.

14 JUDGE SIPPEL: Isn't that going to appear
15 in that Family exhibit that has the list of
16 shareholders?

17 MR. SHOOK: Well, if you through the list
18 of shareholders, Your Honor, neither Ms. James-
19 Petersen's father or mother's name appears.

20 JUDGE SIPPEL: Oh. I was looking -- well,
21 I noticed that myself earlier. Why is that?

22 THE WITNESS: I think the list that was
23 provided was just to show the outstanding -- anything
24 that did not include my parents, just those that I was
25 able to find that included anyone other than family

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1 members.

2 JUDGE SIPPEL: Well, let --

3 THE WITNESS: And my brother is listed
4 there also, because --

5 JUDGE SIPPEL: There's the list, and it
6 says Shareholders, WSTX. That's what it says.

7 THE WITNESS: Okay. I was asked to
8 provide the list, and the question -- this was the
9 response to the question concerning the outstanding
10 seven percent. This did not include -- this did not
11 cover the entire 100 percent. This only covered seven
12 percent.

13 JUDGE SIPPEL: That's just a list of seven
14 percent --

15 THE WITNESS: Of the seven percent. This
16 was in response to that question.

17 JUDGE SIPPEL: I understand that. Okay.

18 BY MR. SHOOK:

19 Q But just to reaffirm what we talked about
20 before, so far as you know there has never been a
21 stock certificate issued either to your father or your
22 mother.

23 A I'm not aware of anything.

24 Q Now, do you recall that in September of
25 1998 an FCC inspector came to the radio stations to